

Estimated Unemployment Insurance (UI) Taxes Per Employee for Calendar Year 2010

UI taxes owed per employee = employer's tax rate times wages paid to employee.

Wages taxed per employee per year limited to "taxable wage base" (TWB) amount. No taxes due on wages over TWB.
Estimated TWB for calendar year 2010 = \$37,800.

Employer's UI tax rates vary depending on their tax and benefit experience and the Tax Schedule in effect for the year.

Projected Tax Schedule for CY 2010 = F or G

Under Schedule F: Employer tax rates range from minimum of 1.2% to maximum of 5.4%.

Under Schedule G: Employer tax rates range from minimum of 1.8% to maximum of 5.4%.

The following tables show the estimated UI taxes per employee at Schedule F or Schedule G at three levels of wages.

Taxes on an employee earning the MINIMUM WAGE

Hourly wage: \$7.25

Annual wage (40 hrs/wk x 52 weeks) \$15,080

	If Schedule F		If Schedule G	
	Tax Rate	CY 2010 taxes	Tax Rate	CY 2010 taxes
If employer is at minimum tax rate	1.20%	\$180	1.80%	\$270
If employer tax rate is average tax rate	2.75%	\$410	3.30%	\$500
If employer is at maximum tax rate	5.40%	\$810	5.40%	\$810

Taxes on an employee earning \$10 PER HOUR

Hourly wage: \$10.00

Annual wage (40 hrs/wk x 52 weeks) \$20,800

	If Schedule F		If Schedule G	
	Tax Rate	CY 2010 taxes	Tax Rate	CY 2010 taxes
If employer is at minimum tax rate	1.20%	\$250	1.80%	\$370
If employer tax rate is average tax rate	2.75%	\$570	3.30%	\$690
If employer is at maximum tax rate	5.40%	\$1,120	5.40%	\$1,120

Taxes on an employee earning \$20 (OR MORE) PER HOUR

Hourly wage: \$20.00

Annual wage (40 hrs/wk x 52 weeks) \$41,600

Wages taxed, limited to TWB: \$37,800

Employee was paid more than the TWB of \$37,800, therefore wages in excess of TWB not subject to UI tax.

	If Schedule F		If Schedule G	
	Tax Rate	CY 2010 taxes	Tax Rate	CY 2010 taxes
If employer is at minimum tax rate	1.20%	\$450	1.80%	\$680
If employer tax rate is average tax rate	2.75%	\$1,040	3.30%	\$1,250
If employer is at maximum tax rate	5.40%	\$2,040	5.40%	\$2,040